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SUBJECT: INDONESIA EARTHQUAKE HUMANITARIAN UPDATE #13: SHELTER AND SETTLEMENTS

REF: A) JAKARTA 01715 B) JAKARTA 01756

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Summary  
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**¶1.** The combination of widespread, spontaneous shelter recovery by households affected by the September 30 earthquake and emerging humanitarian action in the shelter and settlements sector is beginning to address post-earthquake shelter needs. In many instances observed by the USAID Disaster Assistance Response Team (USAID/DART), affected families have completed, or are completing, construction of small shelters on site, ranging from modest use of plastic sheeting with light wood framing to more robust designs featuring salvaged building materials. However, these temporary shelters are generally inadequate to serve as shelter for up to two years, owing to shortcomings that undermine Government of Indonesia (GoI) and humanitarian community efforts to promote the creation of safe, secure, private, healthy, habitable, and appropriate shelter. The core challenges of the humanitarian community in the coming weeks and months will be catching up with spontaneous shelter activity, overcoming limited donor support of transitional shelters that will also serve as the first phase of longer-term reconstruction efforts, and managing transitional shelter programs lasting up to six months when shelter cluster coordination ends in approximately two months. End summary.

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Housing Damage, Shelter Needs, and Emerging Responses  
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**¶2.** According to the latest GoI estimate, as reported by the U.N. Office for the Coordination of Humanitarian Affairs (OCHA) on October 23, the earthquake severely or moderately damaged 200,712 houses, with thousands of other homes sustaining light damage. The GoI estimates may be overstated. For example, GoI data indicate that 42 percent of Padang city's nearly 180,000 housing units sustained medium to heavy damage, but an October 20 USAID/DART reconnaissance of the city suggests that no more than 15 percent of housing units were so damaged.

¶3. In addition to the GoI effort, the World Bank is currently conducting a separate damage and loss assessment (DLA), which may result in different figures, owing to different methodologies, criteria, and assessment personnel. The World Bank DLA will be released in mid-November. The World Bank and GoI may need to review and reconcile their respective assessment figures prior to release of the DLA. (Comment: Discrepancies in damage assessment totals will not materially affect USAID/OFDA shelter and settlements sector programming. End comment.)

¶4. According to OCHA, the GoI National Disaster Management Agency (BNPB) reports that the earthquake severely and moderately damaged 200,712 houses, but only 50,230 families have received emergency shelter assistance in the form of plastic sheeting and tents. In the most earthquake-affected areas, centered in Padang Pariaman District, roughly 95 percent of homes sustained severe and moderate damage, leaving an estimated 82,535 households in need of shelter assistance.

¶5. The earthquake-affected population itself has to a significant extent relied on its own resources and labor to create shelter, given widespread damage and needs. In many instances observed by the USAID/DART, affected families have completed, or are completing, construction of small shelters on site, ranging from modest use of plastic sheeting with light wood framing to more robust designs featuring largely exclusive use of salvaged building materials. Local and international humanitarian organizations, as well as the GoI, have supported, in part, this widespread, spontaneous shelter recovery by earthquake-affected households.

¶6. Following a disaster such as an earthquake, transitional housing  
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for affected populations should remain habitable for up to two years. However, nearly all of the spontaneous temporary housing constructed thus far is not adequate to serve as shelter for up to two years, owing to space, design, and risk reduction shortcomings that undermine GoI and humanitarian community efforts to promote the creation of safe, secure, private, healthy, habitable, and appropriate shelter.

¶7. To address shelter needs consistent with humanitarian community practice, including the incorporation of seismic-resistant construction measures as part of shelter and settlements activities, the humanitarian community is beginning to complement the rapid spontaneous shelter effort with a program increasingly featuring provision of transitional shelter assistance. Actors will assist those still in need of shelter, retrofit shelters completed to date, and provide the basic training and information on seismic-resistant construction for both transitional and permanent housing.

¶8. Programmed responses, in contrast to the spontaneous efforts of the affected population, are being coordinated by the International Federation of Red Cross and Red Crescent Societies (IFRC), which is serving as emergency shelter cluster lead agency. The cluster has created four technical working groups (TWGs) on toolkits, transitional shelter, permanent housing, and public information and outreach. The transitional shelter TWG has agreed on the parameters for transitional shelter. Humanitarian organizations are conducting assessments and distributions and preparing proposals for donor agencies in anticipation of continued programming.

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Shelter Programming Challenges  
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¶9. The affected population, GoI, and humanitarian community face numerous challenges in the construction of temporary and transitional shelter and the reconstruction of permanent shelter. Core challenges include the following:

-- Transitional Shelter --

¶10. The GoI has been slow to recognize the affected population's spontaneous shelter effort and the humanitarian community's approach of catching up with this effort by supporting transitional shelter

programming. The GoI initially adopted a one-step approach featuring rapid movement into housing reconstruction once acute emergency needs were addressed, whereas the humanitarian community prefers to first provide transitional shelter and then support reconstruction. Based on previous disaster responses in Indonesia and elsewhere, this latter view reflects the facts that reconstruction typically lasts two or more years, and affected populations require shelter interventions that are more durable than plastic sheeting and tents and that serve as first-phase reconstruction. With guidance from the USAID/OFDA shelter and settlements advisor, the shelter cluster provided input to an October 23 GoI decision that transitional shelter assistance was an appropriate form of first-phase reconstruction, thereby facilitating donor funding for transitional shelter activities.

-- GoI Housing Damage Payments --

¶11. The GoI announced on October 24 that affected households would receive approximately \$106, \$1,060, and \$1,590 for houses with slight, moderate, and severe damage, respectively. The humanitarian community views these payment amounts as insufficient, and the World Bank DLA will likely confirm this perspective. Issues including how and when payments will be made remain unresolved. Experience from other earthquakes, including the 2006 Yogyakarta earthquake, suggests that payments will not commence for several months and will likely be in tranches, adding additional delays. (Comment: Although important from a sector-wide perspective, payment levels and likely delays in disbursement will not significantly affect USAID/OFDA shelter and settlements programming. End comment.) At

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present, the GoI plans to implement a flexible payment schedule based on housing damage and site characteristics.

-- Impact of Humanitarian Assistance --

¶12. The provision of humanitarian assistance will likely impact the affected population's eligibility to receive GoI payments. Although the GoI will most likely permit affected populations to receive both humanitarian assistance and damage payments, this issue remains unresolved. The GoI has not yet planned how to communicate eligibility determinations in a clear and timely manner.

-- Emergency Shelter Cluster Coordination --

¶13. In other disaster responses, IFRC-led cluster activities usually phase out two to three months after activation. IFRC makes the decision about when to phase out activities based on the organization's capacity to support staff and the agreement with OCHA for IFRC to coordinate the shelter response, focusing solely on emergency shelter and not on transitional shelter. In past disaster responses, IFRC has phased out before the completion of the transitional shelter programming phas, which often lasts six months. IFRC's departure abd wo or three months, at precisely the time when project activitie will be at a peak, will likely result in limite cluster coordination for nearly half of the sixmonth transitional shelter phase. In addition to his intra-cluster management challenge, the humantarian community is voicing growing concern regarding inter-cluster coordination, noting that U.N Human Settlements Programm (UN Habitat), the designated early recovery cluster focal point for housing reconstruction, will not receive resources comensurate with the task at hand, which could undemine overall reconstruction efforts.

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USAID/OFD Shelter and Settlements Projects Begin  
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¶14. USID/OFDA has contributed \$3 million to humanitarian organizations, including Save the Children, Catholic Relief Services, Mercy Corps, World Vision, CARE, and Build Change, in the Emergency Capacity Building (ECB) consortium. With this funding, ECB members are supporting community clean-up, salvaging, emergency shelter repairs, transitional shelter assistance, and disaster risk reduction (DRR) promotion and training. USAID/OFDA plans to provide additional funding to support expanded transitional shelter efforts.

Total USAID/OFDA funding will likely provide up to 7,000 and 10,000 earthquake-affected households with transitional shelter over the next six months. Follow-on DRR programming, focused on promoting seismic-resistant construction and providing training, will complement USAID/OFDA's disaster response funding.

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Next Steps in Shelter and Settlements Sector

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**¶15.** USAID/OFDA plans to engage in at least four follow-on activities. With the departure of two USAID/DART from Padang on October 25, two USAID/OFDA field officers plan to remain in Padang until mid-November, monitoring shelter and settlements sector activities. USAID/OFDA plans to expedite proposal reviews, approvals, and funding to accelerate project activities, given the need to support spontaneous efforts and complement these efforts with new transitional shelter. USAID/OFDA plans to support DRR promotion and training as part of shelter project activities, as well as part of two-year DRR programs focused on both schools and shelter. Finally, USAID/OFDA will advocate for more robust shelter cluster management and coordination, so that shelter and settlements actors receive support needed to assist individuals affected by the September 30 earthquake.

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